

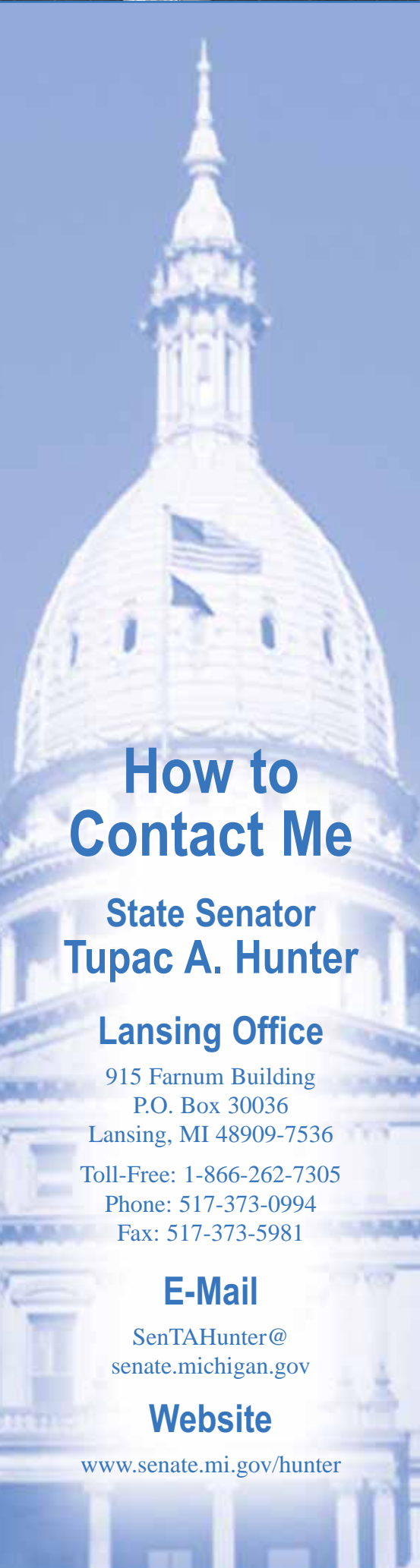


State Senator Tupac A. Hunter

*Serving the 5th District Constituents in
Detroit, Dearborn Heights & Inkster*

Winter Newsletter

December 2007



How to Contact Me

**State Senator
Tupac A. Hunter**

Lansing Office

915 Farnum Building
P.O. Box 30036
Lansing, MI 48909-7536
Toll-Free: 1-866-262-7305
Phone: 517-373-0994
Fax: 517-373-5981

E-Mail

SenTAHunter@
senate.michigan.gov

Website

www.senate.mi.gov/hunter



MICHIGAN STATE SENATE
TUPAC A. HUNTER
STATE SENATOR • 5TH DISTRICT

Dear Friend:

Now that we have reached a hard-fought budget agreement, we must turn our thoughts and efforts to the other challenges that currently face our state. One of the most common complaints I hear from my constituents are their concerns regarding the high cost of auto and home insurance. My Democratic colleagues and I have been working diligently in bringing relief to Michigan residents, particularly those in Wayne County, from the high costs of insurance.

We are preparing to introduce a package of bills this month that would allow the Insurance Commissioner to rule that rates are excessive; prohibit the use of credit scoring and other economic-based factors in setting premiums and allow policyholders to ask the Attorney General to intervene if rates are found excessive. In 1978, the Supreme Court ruled that the state has a duty to guarantee that insurance is available to everyone at a fair and equitable price. I think it is time to honor that promise.

As the winter months approach, I have included some additional information to help connect families to available resources in the community for assistance. If you ever find yourself needing my support in locating further aid, please do not hesitate to contact my office at 1-866-262-7305.

Very truly yours,

*Tupac A. Hunter
State Senator, District 5*

Auto Insurance

INSURANCE BUYERS' GUIDE NOW AVAILABLE

The 2007 Buyers' Guide to Auto Insurance, published by the Michigan Office of Financial and Insurance Services (OFIS), is now available. This guide contains information about purchasing auto insurance and how to shop around to receive the best price.

An interactive version of the Buyers' Guide can be found on the OFIS website. It allows users to choose a profile that most closely fits their situation and location to get a general idea of rates for auto insurance.

More information on automobile insurance is also available on the home page of the OFIS website by clicking on the "Don't Buy Auto Insurance Until You Read This" icon.

The 2007 Buyers' Guide to Auto Insurance can be reviewed and downloaded at www.michigan.gov/ofis. For copies of Auto or Homeowners Insurance Guide Packets, please contact my office at 1-866-262-7305.

How Our Proposed Legislation Can Reduce Car Insurance Costs

1. Allow the Insurance Commissioner to find rates excessive. Currently, if there is evidence of competition in a particular insurance market, the Commissioner has no authority to declare a rate excessive. The proposed legislation would close this loophole.
2. Prohibit the use of socio-economic-based factors when underwriting insurance. Current law allows factors like credit scores, education, or occupation to determine insurance rates. The legislation would abolish this practice.
3. Allow the Insurance Commissioner to order refunds if rates are found excessive or discriminatory. The proposed legislation would require insurers to refund consumers for any such violation.

4. Allow policyholders to request a hearing on a filing to the Insurance Commissioner or the Attorney General. This will expand the resources available for consumers who wish to report insurance companies that charge excessive rates.
5. Revamp the Michigan Catastrophic Claims Association (MCCA). The MCCA is the association responsible for paying victims whose claims exceed a certain threshold. The monies for these claims are paid for by policy holders, and set aside for these special circumstances. The administration and disbursement of this fund is controlled by the insurance industry, with no public input. The legislation would provide the OFIS commissioner and a member of the public to have a say in this process.
6. Make the MCCA comply with the Open Meetings Act. This will make all the information in the last recommendation open to the public.

Another important bill, which I have sponsored, will prohibit insurance companies from penalizing anyone who has had a gap in their coverage. Drivers should not be penalized for temporarily discontinuing their auto insurance coverage. Perhaps the driver is ill or hospitalized for an extended period. They may be away on military duty. Or they may be on an extended work assignment away from home. To penalize consumers on these grounds is unfair.

How You Can Reduce Car Insurance Costs

Car insurance is a major expense for most families. While medical costs and car repairs are beyond our control, there are some things you can do to lower your insurance costs.

- When purchasing a car, consider the cost of insuring it. Some models cost less to insure. Insurance prices are competitive



Senator Hunter discusses upcoming legislation.

so it pays to compare prices and coverage.

- Also compare collision coverage choices. Collision coverage pays for your car repairs if you are in an accident. It is not required by law. If your car is financed, the finance company may require you to have collision coverage. There are several types of collision insurance. Save money by avoiding the most expensive.
- Increase your deductible. That's the amount you agree to pay toward the cost of repairs before the insurance company pays anything. The bigger your deductible, the more you save.
- Also, if you are hurt in a car accident, the cost of your care may be covered by both your auto insurance and your health insurance. You may receive a discount if you "coordinate" your auto insurance with private health/accident insurance.
- You may also be eligible for a group discount if you belong to certain groups or organizations. Discounts are also available for things like anti-theft devices, anti-lock brakes, air bags, seat belt usage and daytime running lights, or having multiple policies. You might also consider dropping some coverages like collision or comprehensive on an older car, car rental, or towing. Just make sure you understand what it will mean to be without the coverage.

The Office of Financial and Insurance Services (OFIS) is the state agency that regulates insurance in Michigan. You can write them at: **OFIS, P.O. Box 30220, Lansing, MI 48909-7720** or call **517-373-0220**.

Homeowner and Renter Insurance



An important way to protect yourself against unanticipated expenses is by purchasing homeowner or renter insurance.

While not required by law, most lenders require such a policy before making a mortgage loan. A homeowner policy will protect your home and its contents against damage or theft. It also protects you against personal liability if someone is injured on your property. It should also cover you against most major disasters.

Security alarms, smoke alarms, CO₂ detectors, and radon detectors could generate discounts. And certain siding and roofing materials can also

dramatically lower homeowners insurance premiums, something to remember if you are building your own home.

Your policy should also cover other structures on your property and should provide for living expenses in case the home is uninhabitable after a fire or other covered disaster. The amount of coverage provided depends on the insurer and the type of policy, so shop carefully and compare rates.

While renters do not have to worry about exterior damage, it is important to insure your contents against risks like fire, water damage or theft. These policies are reasonable in cost and are well worth the investment when faced with massive contents damage.

Another tip is to take photos of your home interior. Photograph

rooms of furniture, bookcases and shelves. Open cupboards and closets and snap the contents. Then store the photos in a fire-proof box, preferably off the premises. That way, in case of disaster, you'll have a record of your contents for replacement purposes.

Remember – homeowner and renter insurance does not cover problems that result from general wear and tear or poor maintenance.



Talk Time With Tupac

Sen. Tupac A. Hunter has scheduled coffee hours to give district constituents an opportunity to personally share their ideas and concerns with him. Please come out and join Sen. Hunter at the following locations:

Detroit:
Mary's Grill
20804 Plymouth Road

All coffee hours are held on the 1st Friday of the month 10-11am.

Inkster:
McDonald's
27125 Cherry Hill

All coffee hours are held on the 2nd Friday of the month 10-11am

Dearborn Heights:
McDonald's 6412 North Telegraph Road

All coffee hours are held on the 3rd Friday of the month 10-11am.

Hope to see you there!



Senator Hunter presides over Senate Session.

Coats for Kids

If anyone would like to donate gently-worn old coats or new coats for this worthwhile cause, please contact my Office Manager, Teisha, at 1-866-262-7305 for further details.



State Senator Tupac A. Hunter

P.O. Box 30036
Lansing, MI 48909-7536



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Home Heating Assistance

HOW TO KEEP WARM THIS WINTER

If you are a low-income resident challenged by the winter's heating costs, here are some resources that could help:

—The Heat and Warmth (THAW) Fund:

DTE Energy customers who meet the guidelines (see <http://my.dteenergy.com/paymentOptions/eligibility.html>), are in shut-off status, and have exhausted all federal and state funding programs, may be eligible for assistance. For assistance, contact one of the following administrators: United Way (dial 211); for cell phone users, (toll-free) 1-800-552-1183; or THAW directly at (toll-free) 1-800-866-8429.

—Low Income Home Energy Assistance Program (LIHEAP)

is federal money given to each state to assist low-income families with energy costs. In Michigan, the LIHEAP block grant is used for the following programs: Home Heating Credit; State Emergency Relief (SER); and Weatherization Assistance Program (WAP). For more information about LIHEAP, call the toll-free DHS Energy Hotline at 1-800-292-5650 between the hours of 8-11:45 a.m. and 1-4:15 p.m. or visit http://www.michigan.gov/dhs/0,1607,7-124-5453_5531-15420--,00.html on the web.

—Michigan Energy Assistance Directory

Weatherization Agency
Wayne Metropolitan
Community Action Agency
3715 W. Jefferson Avenue
Ecorse, MI 48229
313-843-2550

—State of Michigan Energy Assistance and Home Heating Credit (HHC)

www.michigan.gov/heatingassistance

—Area Agency on Aging

1-800-815-1112

—Michigan Community Action Agency Association

313-843-2550

—Warm Training Center

313-894-1030

Senator Hunter Chosen for Fellowship Program

Senator Hunter was recently selected as a member of the inaugural class of the Democratic Leadership Council Fellows Program. The Democratic Leadership Council is committed to finding new ways to advance Democratic values that result in successful policy proposals effective for the 21st century.

This program consists of a select group of 20 individuals nationwide who participate for a two-year term, in partnership with the Clinton Foundation, in seeking value-based leadership and best practices of leadership development.



Senator Hunter speaks with Governor Granholm during SB 69 signing.